

FORM
2

Rev
05/22

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

403038802

(SUBMITTED)

Date Received:

08/05/2022

APPLICATION FOR PERMIT TO

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

Amend ☒

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____

Refill ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: Damfino 0680 Well Number: 5-6H31
Name of Operator: D90 ENERGY LLC COGCC Operator Number: 10706
Address: 952 ECHO LANE SUITE 480
City: HOUSTON State: TX Zip: 77024
Contact Name: Doug Sandridge Phone: (303)330 4847 Fax: ()
Email: doug@fulcrumef.com

FINANCIAL ASSURANCE FOR PLUGGING, ABANDONMENT, AND RECLAMATION

COGCC Financial Assurance

☒ The Operator has provided or will provide Financial Assurance to the COGCC for this Well.

Surety ID Number (if applicable): 20210083

Federal Financial Assurance

☒ In checking this box, the Operator certifies that it has provided or will provide at least this amount of Financial Assurance to the federal government for this Well. (Per Rule702.a.)

Amount of Federal Financial Assurance \$ 25000

WELL LOCATION INFORMATION

Surface Location

QtrQtr: Lot 11 Sec: 6 Twp: 6N Rng: 80W Meridian: 6

FNL/FSL

FEL/FWL

Footage at Surface: 400 Feet FSL 2189 Feet FEL

Latitude: 40.512612 Longitude: -106.417376

GPS Data: GPS Quality Value: 2.2 Type of GPS Quality Value: PDOP Date of Measurement: 08/16/2018

Ground Elevation: 8220

Field Name: NORTH PARK HORIZONTAL NIOBRARA Field Number: 60120

Well Plan: is ☐ Directional ☒ Horizontal (highly deviated) ☐ Vertical

If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.

Subsurface Locations

Top of Productive Zone (TPZ)

Sec: 6 Twp: 6N Rng: 80W Footage at TPZ: 147 FSL 759 FWL

Measured Depth of TPZ: 7407 True Vertical Depth of TPZ: 6670 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 31 Twp: 7N Rng: 80W Footage at BPZ: 100 FNL 734 FWL
Measured Depth of BPZ: 17834 True Vertical Depth of BPZ: 6911 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 31 Twp: 7N Rng: 80W Footage at BHL: 100 FNL 734 FWL
FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: JACKSON Municipality: N/A

Is the Surface Location of this Well in an area designated as one of State interest and subject to the requirements of § 24-65.1-108 C.R.S.? No

Per § 34-60-106(1)(f)(I)(A) C.R.S., the following questions pertain to the Relevant Local Government approval of the siting of the proposed Oil and Gas Location.

SB 19-181 provides that when "applying for a permit to drill," operators must include proof that they sought a local government siting permit and the disposition of that permit application, or that the local government does not have siting regulations. § 34-60-106(1)(f)(I)(A) C.R.S.

Does the Relevant Local Government regulate the siting of Oil and Gas Locations, with respect to this Location? ☐ Yes ☒ No

☐ If yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location.

The disposition of the application filed with the Relevant Local Government is: Waived Date of Final Disposition: _____

Comments: Jackson County does not regulate oil & gas.

SURFACE AND MINERAL OWNERSHIP AT WELL'S OIL & GAS LOCATION

Surface Owner of the land at this Well's Oil and Gas Location: ☐ Fee ☐ State ☒ Federal ☐ Indian

Mineral Owner beneath this Well's Oil and Gas Location: ☐ Fee ☐ State ☒ Federal ☐ Indian

Surface Owner Protection Bond (if applicable): _____ Surety ID Number (if applicable): _____

MINERALS DEVELOPED BY WELL

The ownership of all the minerals that will be developed by this Well is (check all that apply):

- ☒ Fee
☐ State
☒ Federal
☐ Indian
☐ N/A

LEASE INFORMATION

Using standard QtrQtr, Section, Township, Range format describe one entire mineral lease as follows:

* If this Well is within a unit, describe a lease that will be developed by the Well.

* If this Well is not subject to a unit, describe the lease that will be produced by the Well.

(Attach a Lease Map or Lease Description or Lease if necessary.)

Please see attached lease map.

Total Acres in Described Lease: 505 Described Mineral Lease is: ☐ Fee ☐ State ☒ Federal ☐ Indian

Federal or State Lease # COC 65600

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 1244 Feet
Building Unit: 1275 Feet
Public Road: 588 Feet
Above Ground Utility: 252 Feet
Railroad: 5280 Feet
Property Line: 400 Feet

INSTRUCTIONS:

- Specify all distances per Rule 308.b.(1).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit – as defined in 100 Series Rules.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	531-63	1837	31-7-80; 6,7-6-80: All

Federal or State Unit Name (if appl):

Unit Number:

SUBSURFACE MINERAL SETBACKS

Enter 5280 for distance greater than 1 mile.

Is this Well within a unit? Yes

If YES:

Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary: 100 Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well within the same unit permitted or completed in the same formation: 159 Feet

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well producing from the same lease and permitted or completed in the same formation: Feet

Exception Location

☐ If this Well requires the approval of a Rule 401.c Exception Location, enter the Rule or spacing order number and attach the Exception Location Request and Waivers.

SPACING & FORMATIONS COMMENTS

Township 7 North, Range 80 West Sec:31 All Township 6 North, Range 80 West Sec:6,7 All
Subject to Federal Communitization Agreement COC 076272

DRILLING PROGRAMProposed Total Measured Depth: 17834 FeetTVD at Proposed Total Measured Depth 6911 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: 971 Feet ☐ No well belonging to another operator within 1,500 feetWill a closed-loop drilling system be used? YesIs H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater thanor equal to 100 ppm? No If yes, attach an H₂S Drilling Plan unless a plan was already submitted with the Form 2A per Rule 304.c.(10).Will there be hydraulic fracture treatment at a depth less than 2,000 feet in this well? NoWill salt sections be encountered during drilling? NoWill salt based (>15,000 ppm Cl) drilling fluids be used? NoWill oil based drilling fluids be used? YesBOP Equipment Type: ☒ Annular Preventor ☒ Double Ram ☒ Rotating Head ☐ None

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	26	16	J55	42	0	80	190	80	0
SURF	12+1/4	9+5/8	J55	36	0	2400	673	2400	0
1ST	8+3/4	8+1/2	P110HC	20	0	17834	3118	17834	

☐ Conductor Casing is NOT planned**POTENTIAL FLOW AND CONFINING FORMATIONS**

Zone Type	Formation /Hazard	Top M.D.	Top T.V.D.	Bottom M.D.	Bottom T.V.D.	TDS (mg/L)	Data Source	Comment
Groundwater	Coalmont Sand	0	0	1720	1720	0-500	USGS	Site Name: SB00608018DCD1 TD@800' TDS@464
Confining Layer	Coalmont Shale	1720	1720	3300	3275			
Confining Layer	Upper Pierre	3300	3275	5100	4857			
Hydrocarbon	Sussex	5100	4857	5300	5082			
Confining Layer	Pierre Lower (Shale)	5300	5082	5500	5176			
Hydrocarbon	Shannon	5500	5176	5600	5276			
Confining Layer	Pierre Lower (Shale)	5600	5276	7000	6557			
Hydrocarbon	Niobrara	7000	6557	17834	6911			Bottom TVD is bottom of the well and not bottom of the formation; The formation is not planned to be exited.

OPERATOR COMMENTS AND SUBMITTAL

Comments

This Form 2 is being submitted as part of amendments to the Damfino 0680 11-7H (API: 05-057-06619) and Damfino 0680 12-7H (API: 05-057-06622). The Damfino 0680 11-7H name changes to Damfino 0680 5-6H31 and the Damfino 0680 12-7H name changes to Damfino 0680 6-6H31 to reflect lateral changes. The proposed horizontal laterals are revised from going south through 7-6N-80W to going north through 31-7N-80W, which remain within the existing spacing order 531-63. There have been no new buildings constructed and no changes to the surrounding land use, Surface & Minerals, or mineral lease description. The location has been constructed. SHL changes are only due to measurement adjustments, remain within the previously approved location, do not change QQ, and do not change the status of any cultural distance setbacks. All previously submitted notices, Surface Use Agreements, and letters are also still valid.

The nearest well in unit per anti-collision is updated to the Mutual 4-30H (API:05-057-06488) PR Status @ 159'. The nearest outside operated well per 2-D calculation is updated to the South Coalmont OWP 1 (API: 05-057-06244) PA Status @ 971'

PFZ Comment: The upper shallow section of the North Park is not well defined. We used the depth and lithology components to define two separate sections; one being sand (as North Park FM) which is most likely a possible source of groundwater and the second being a shale (as Coalmont FM) which should not be a source of groundwater. The shale should not be a source of groundwater and has not been found to be a source of groundwater in the USGS dataset.

This application is in a Comprehensive Area Plan No CAP #: _____

Oil and Gas Development Plan Name _____ OGDID #: _____

Location ID: 416625

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Justin Garrett

Title: Sr. Regulatory Analyst Date: 8/5/2022 Email: regulatory@ascentgeomatics.c

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved: _____ Director of COGCC Date: _____
Expiration Date: _____

API NUMBER

05 057 06619 00

Conditions Of Approval

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

COA Type

Description

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Alternative Logging Program: One of the first wells drilled on the pad will be logged with open-hole resistivity log with gamma-ray log from the kick-off point into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured while-drilling gamma-ray log. The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs shall state "Alternative Logging Program - No open-hole logs were run", and shall clearly identify the type of log and the well (by API#) in which open-hole logs were run.
2	Drilling/Completion Operations	Blowout Prevention Equipment ("BOPE"): A double ram annular preventer will be used during drilling.

Total: 2 comment(s)

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
403071858	DEVIATED DRILLING PLAN
403071859	DIRECTIONAL DATA
403071860	WELL LOCATION PLAT
403082320	OffsetWellEvaluations Data
403105174	LEASE MAP

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	North Park Wildlife Mitigation Plan that CPW developed with Sandridge has been updated to be applicable to D90 and meet the requirements of SB-181.	07/12/2022

Total: 1 comment(s)

Public Comments

No public comments were received on this application during the comment period.

